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A-ONE #0221   05/26/00

   ~ Intel 933 MHz Pentium! ~ People Are Talking!   ~ PIII Xeon Chip!
   ~ Next Generation MSN!   ~ Online Privacy Sought! ~ Nvidia to Mac?
   ~ Real Entertainment Ctr ~ Mac Gorilla - Atari!   ~ Prospero Hailed!
   ~ Sega CEO Steps Down!   ~ Skyhammer Delayed!   ~ Sony Sues Bleem!

            -* Judge Considers 3-Way Split! *-
           -* Dot-Com Name Doesn't Change Town! *-
          -* Publishers Getting Closer To E-Book Sales! *-

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->From the Editor's Keyboard   "Saying it like it is!"
  """"""""""""""""""""""""""""""

Well, I needed this week to get away from the job for a bit. Just too much
stress to keep going without some time away! Plus, I have some projects to
work on out in the yard, and this is the time to do them. So naturally, the
weather was wet for most of the week! I had about 15 yards of loam
delivered on Wednesday, in the rain! Anyone want to make mud pies?
However, I did manage to get in all of my farm-bought flowers and veggies.
I'm still waiting for a large shipment of annuals that I had ordered via
mail-order. I called the company yesterday; I was told my order was ready
and should arrive within two weeks! Great, if these aren't shipped as
flowering plants, I may not be able to plant until the fall! I started
spreading loam earlier today. This is going to be one heck of a project!
Hopefully the weather will hold up and the rain doesn't return over the long
weekend. Yeah, right...

The only good thing about all of this rain and cooler weather is that my
allergies haven't been plaguing me too badly all week. A little, but
certainly not like the past few weeks. As long as I take a few occasional
breaks, I seem to do okay.

Other than my outdoor projects this week, I've been trying to relax.
Spending time with the dogs, and just hanging out. Been putting in some
late hours with Dungeon Master II on the PC, also! It's not as good as the
original Dungeon Master or Chaos Strikes Back, but it brings back some good
memories! The one thing I remembered from my playing days of yesteryear is
to save, and save often! Maybe I'll finish the game before I have to head
back to work the middle of next week!

This is a long holiday weekend, the unofficial start of the summer here in
New England. Like most people, I'll be doing a lot of stuff outdoors,
including a lot of barbecuing and beer. Just remember, to enjoy the holiday
weekend responsibly. Do not drink and drive!! The life you save could be
mine!

Until next time...

                    Mac Gorilla Now has Atari Web Page!

Mac Gorilla, the multi-platform computer news site, has now set up a
separate Atari page for news about our favorite platform, and has named
me editor and compiler of news of said page.

I'm asking for anyone in the Atari world with an announcement or news
to e-mail me with it at dreibel@idirect.com .

As well as Atari, Mac Gorilla deals with news about Mac, Amiga,
Linux, and other various operating systems and platforms.

Come and visit at http://www.macgorilla.com and tell me what you
think!

Daniel L. Dreibelbis
        Atari Guru and editor, Mac Gorilla Atari Page

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                       PEOPLE ARE TALKING
                      compiled by Joe Mirando
                       jmirando@portone.com

Hidi ho friends and neighbors. Since my last column it's done nothing but
rain here in the northeast. It's now quite soggy here. The worst part of
it isn't really the water.... our apartment has stayed dry... it's all
the pollens and mold spores that are sure to follow the rain on the
first warm, sunny day. I'm allergic to grass (or grass pollen, or
whatever) and I'm dreading that initial green growth spurt. I don't have
the affliction to the extent that some people do, but it can make life
mighty uncomfortable nonetheless.

On the computer front, someone asked me the other day why it was that
I've neglected mentioning Microsoft and what now seems to be its impending
break-up and restructuring.

First of all, I have very little interest in how Microsoft is broken up.
In my estimation, no matter what the government does Microsoft will
still be Microsoft. I don't see that it matters how it's sliced or
diced. The "secret handshake" between OS and application will still be
in place. You may now have to remember two corporate names to remember,
but the profits will still be going into the same pockets.

The answer, in my opinion, cannot be found within the courts or within
legislation. The only way to keep Microsoft from monopolizing the
computer world is for someone else to produce a more stable, faster,
more affordable operating system. We may well have the answer right
under our noses. Linux is incredibly stable, somewhat faster than
Windows and, for all intents and purposes, free. It is lacking in the
ease of installation department, but it is making gains in that area
with each release.

My own opinion is that Linux is not the answer. But it is very, very
close. I've heard that the next release of Linux is going to be as much
a leap from its predecessor as Windows 95 was from 3.11.

Well, I know that none of this has anything to do Atari computers, but
it's what was on my mind. Now let's get on with some Atari stuff.

From the comp.sys.atari.st NewsGroup
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Willem Buising asks about replacing his monitor:

"The monochrome monitor of my Atari Mega STE has passed away. I would like to

try to connect a spare PC multisync monitor but I don't know how. I'm kind of hoping that this monitor will be able to show low, medium and high resolution. Is there a special connector needed, do I need extra software? And just as important where can I get these things (in Holland or on the Internet)."

Nicholas Bales tells Willem:

"Yes, you'll need a special cable. There are details on building one in the Quick FAQ (http://bales.online.fr/atari), but check the display frequencies on your monitor beforehand.

John Gray asks about finding toner for an SLM804:

"One of the members of NSACUG is seeking toner for his old SLM804 laser printer. Any North Americans (Canadians, even!) have a toner package to sell?"

Derryck Croker tells John:

"You can without problems use toner for the TEC LB 1301. This is the same toner cartridge as originally used in the Atari SLM 804 laser printer.

The same is true for the OPC-kit, ask for TEC LB 1301!"

Sean Casey asks about connecting two STs:

"I have recently fixed up my old 520STfm (it had the controller port loosening problem, a liberal applying of solder sorted that out) and am taking my uncle's 4Mb STe in a couple of days (hopefully, he doesn't want it) and I have a few queries..

1. Can I connect the STs by simply using the Null-modem cable I use for my [spit] PCs? Or do I need a special cable? I have a 5 metre null-modem with both 9 and 24 pins at each end.

2. Is there any way to use one of my PCs to act as a "server"(connected to the 'net), connect an ST up with the cable and make it the "client" to allow it to email, usenet and/or browse the web (even with no graphics)?

Sorry if they sound dumb questions or have been answered elsewhere, I am just excited to get another ST."

Derryck Croker tells Sean:

"You'll use the 24 pin connectors. Recommend that you install the HSmodem patch for the serial ports on both machines.

Download STinG from http://sting.atari.org for starters (the serial.cpx for setting your serial ports itself is worth the download), I don't know how you set it all up, but you need "masquerading"."

Jo Even Skarstein tells Derryck:

"Since he wants to use the PC as the gateway, he doesn't need IP-masquerading on his ST. However, he needs it on the PC and as far as I know Windows does not support it out of the box so he needs additional software."

Derryck replies:

"Thanks - not such an easy project after all.

If he's going to be using the PC to access the net then he might as well
use its browser etc, and use sneaker net for any file transfers."

Sean jumps back in and posts:

"Cheers for all the help so far :)

It would really be a lot simpler to use the PC for all the 'net access,
etc. but I was hoping to let the ST fetch my mail and post to the
newsgroups while the PC is being used for some other task (like someone
else playing games on it).

Would that be an impossible task?"

Jo Even tells Sean:

"Not at all, you need to install some NAT-software (like WinGate) on your
PC. Then you have to link your ST and PC, and this is where the trouble
starts. The obvious thing is to use a simple null modem-cable, STiNG will
handle this perfectly on the ST but Windows does not support TCP/IP over
null modem-cables...

It can be solved for sure, but I have given up for now. I'm not really too
fond of PCs (I only use mine to run DreamWeaver/Fireworks, and Free Agent
now and then) and won't spend much time hacking on mine. I also have a
ethernet-card for my TT which I hope to get up and running soon, this will
solve my problems."

Edward Baiz offers help with video cards:

"Someone had a post about the Mach 64 card. I have experience with the
card and I do run Magic and NVDI with it. If there are any questions I
would be glad to help if I can..."

Derryck Croker asks Edward:

"Are you seeing the problem with animated GIFs in CAB that both Martin
and Jo Even have mentioned?"

Edward tells Derryck:

"No I am not. At least today I got on a website with an animated gif and
my hard drive was silent and I was able to scroll with no problems.
This is under Magic and I do not remember this happening under Geneva."

Steve Hammond tells Edward and Derryck:

"Am using a Mach 64 with a TT and Nova driver 2.66 on my TT and MagiC 6
with no problems. IIRC there were memory leakage problems with one of
the earlier drivers (2.61 or so) that was needed if one was using NVDI.
The current problem seems to be Hades specific. I have a collection of
older drivers if anyone wants to try them."

Greg Goodwin posts this interesting tidbit:

"It was early on a Thursday morning when I was greeted by a friendly
little message with the heading of "I Love You". And from that message it

simply said "Please open the attached message from me."

This was in my business E-mail box at work, and I found myself curious
who would send me a love letter, especially since I'm married.

I clicked on the odd file, and my PC came back saying "I don't
recognize the application that wrote this file. Please go down to the
Start menu to select the proper application." With even more curiosity
I was about to save this file from my Outlook box to my hard drive when
I realized (perhaps a little quicker than those who opened several of
these love letters) that this file could be a virus.

Within the hour our network server was down due to hundreds of
letters replicated within our server due to the love letters. Truly a
nasty site. At first I believe I was unaffected, but then I was not sure.

Before leaving work, I disconnected my PC from the lan to do some more
research on my ever faithful PC (that has led to me mainly hours of internet
surfing looking for Atari websites and newsgroups). With a little more
thought, I would try to find out for sure if I had been bitten by the love
bug.

When I visited my parent's house, the word was out, love was in the air,
and thousands of computers had been ravaged throughout the world. I heard
that England was hit hard, with the house of Common's E-mail server down
completely, and throughout the world the effect was the same. There
was no known cure for this bug for a good bit, and people were not
sure when it would end.

So then it hit me... since I need a computer to hold up the work
load at work, while I investigate my PC? Why not bring in a computer
that could care less about PC viruses? And it would make for a fun tale
down the road.

It was then I decided....

... I was going to let my Atari 1040 ST (with AdSpeed) take over for one
day at work!!!

To Be Continued...."

Bruce Campbell tells Greg:

"You shouldn't have even clicked, especially if you're using OE.
Damn visual basic is supposed to read the address book in OE.
This is why I reverted to using Lynx and Pine last week when
opening my email so I could examine all attachments in the
Pico editor first."

Al Ferrier asks:

"I've an unusual question: can you burn your own CDs using a humble
STE 1040 and is there any software around at the moment to do the
job? I'm asking because I'm soon to start on some live music work
and am loathe to take my STE out live for sequencing! Instead, I'm
planning to record backing tracks on to CD and then use this live
as this will save my Atari for home studio use and also cut down
on the amount of gear I have to set-up/breakdown!

I may soon have access to a PC (spit) with hopefully a CD-ROM drive

but I'll need info on how to actually record the stereo outputs
from my mixer into it and from there to go onto the CDR."

Daniel Dreibelbis tells Al that there's...

"Good news! Roger Burrows of Anodyne Software, the maker of Extendos,
has software for burning CD-ROMs. It's called CD-Writer Suite, and it's
designed to work on even the simplest STs. You can find out about this
at http://www.cyberus.ca/~anodyne ."

Chris Crosskey adds:

"It can be done...

You need a huge hard-disk for starters, anything less than a pair of 540Mb's
and you can forget it, make sure you've got 4Mb too....

For recording you will need a Composers Desktop Project set, (the software,
a SoundStreamer interface, a DatDac converter and a cheap DAT machine that
handles 44kHz, you'll also need a CDR drive (getting quite inexpensive
these days) and either Extendos CDR or SoundPools CDR software.

...Recording Audio D2D on an ST is only possible with CDP if I recall
correctly, though on the higher ST's there were other ways, and there
might have been something that would do it alongside Cubase on some
machines too...."

Well folks, that's it for this time around. Tune in again next week,
same time, same station, and be ready to listen to what they are saying
when...

PEOPLE ARE TALKING

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->In This Week's Gaming Section - Sony Sues Bleem! 'Grind Session'!
   """"""""""""""""""""""""""""""   Sega CEO Steps Down Over Poor Sales!
                                     Skyhammer Delayed Slightly!
                                     Lynx News! New GameBoy Delayed?!

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->A-ONE's Game Console Industry News   - The Latest Gaming News!
   """"""""""""""""""""""""""""""""""""

                 Sega Won't Comment On President Step-down Report

Sega Enterprises Ltd , a major Japanese video game console maker, declined

to comment on a media report that Shoichiro Irimajiri will relinquish the post of president due to the poor sales of the company's mainstay Dreamcast game consoles.

Irimajiri, 60, will become chairman of Sega to concentrate on design and development of a successor game machine, the Nihon Keizai Shimbun financial daily reported on Monday.

''We cannot comment on the media report," a Sega spokesman said.

Last May, Sega forecast a group net loss of 19.8 billion yen for the year to March 2000. Sega will announce its 1999/2000 earnings result and forecast for 2000/01 on Friday. It posted net losses of 42.88 billion yen for 1998/99 and 35.64 billion yen for 1997/98.

Sega Chairman Isao Ohkawa, 74, the chairman of CSK, will succeed Irimajiri and work concurrently as Sega's president, the daily said. CSK Corp , a major Japanese information service company, is the largest shareholder in Sega with a 18.9 percent stake.

Sony Sues Another PlayStation Emulator Maker

Sony Computer Entertainment of America's lawyers sure are a tenacious bunch. According to a recent CNet report, Sony is once again suing PC PlayStation emulator maker Bleem, this time for patent infringement.

Sony has been foiled at almost every turn in its attempts to keep Bleem and Connectix from selling their products, which enable users of PC's (and, in Connectix's case, Macs also) from being able to run some software designed to work on the Sony PlayStation video game console. Although Sony was successful at keeping Connectix from shipping Virtual Game Station for a time, a preliminary federal court injunction won by Sony in 1999 was overturned on appeal earlier this year. Sony's legal machinations have also failed to keep Bleem from shipping its product or from using PlayStation game images in its advertising.

Most recently, emulator publisher Connectix announced that seven of the nine counts Sony had brought against it had been dismissed by a federal court judge, with two issues left to decide (see separate story). A separate patent infringement case against Connectix similar to Sony's case against Bleem is still pending.

Last week, Bleem showed off its newest creation at E3 Expo -- a variation on its Sony PlayStation emulator designed to work on the Sega Dreamcast console, which some industry wags have wittily dubbed "Bleemcast."

Sony is now focusing much of its efforts on building interest in the North American and European launches of its PlayStation 2 game console, which is already out in Japan. PlayStation 2 will be released in those markets this fall; the console sports backwards compatibility with the vast majority of existing PlayStation games.

Nintendo Warns Delay In New Gameboy Launch

Leading Japanese game maker Nintendo Co Ltd said on Wednesday there could be a delay in the long-awaited launch of a more powerful version of ``Game Boy", the world's top-selling handheld game console.

Nintendo said the new machine, Game Boy Advance, featuring e-mail transmission among other new functions, would be launched between November and December this year, instead of August as originally planned, due to tight supply of components.

Sharp Corp supplies components such as liquid crystal display (LCD) and integrated circuits for Game Boy Advance, but it is already having a hard time keeping up with soaring demand for such components, partly needed for the existing version ``Game Boy Colour".

Sharp plans to boost LCD output with a second production line at its Mie plant in western Japan in August so as to boost supplies to Nintendo, a Nintendo spokesman said.

Nintendo will launch the Game Boy Advance in overseas market in January-March 2001, he said.

Sales of existing Game Boy consoles have been strong both in Japan and overseas thanks to Nintendo's smash hit Pokemon or Pocket Mosters game characters, a craze among children worldwide.

Nintendo holds a 90 percent share of the hand-held game console market in Japan and 99 percent in the United States and Europe. Global sales of its Game Boy console -- which combined with related software sales generate nearly 30 percent of its total revenue -- recently topped 100 million units.

That's up from 87.18 million as of last September, of which 61.84 million were sold overseas.

The delay of the new Game Boy launch came as no surprise, with some analysts having noted a supply shortage of components as well as the company's strategy to fully reap profits from its existing 8-bit Game Boy business.

                    Grind Session Brings the Heart and Soul of
                         Skateboarding to the Playstation

Sony Computer Entertainment America Inc. announced the nationwide release of Grind Session, available exclusively for the PlayStation game console. Combining the spirit and arcade-style action of extreme sports with the thrill of hardcore skateboarding, Grind Session features eight insane locales including challenging Vans Triple Crown of Skateboarding events, six world-class professional skateboarders and four fully customizable amateur skaters, and a stimulating soundtrack featuring some of the hottest alternative bands around.

Delivering hundreds of trick combinations and true animations for each professional skater along with customizable gear and realistic aerial physics, players can choose to ride as skateboarding pros Ed Templeton, John Cardiel, Cara-Beth Burnside, Pigpen, Willy Santos or Daewon Song. But the authenticity in Grind Session extends beyond the skaters -- from the pigeons at Burnside to the rails in San Francisco, each level/skate park is

fully replicated with the true look and feel of the real environments.

``We have assembled some of the hottest skateboarders today and created a fun yet challenging skateboarding game which will appeal to true fans of this lifestyle," said Ami Blaire, director, product marketing, Sony Computer Entertainment America Inc. ``Grind Session will appeal to hardcore gamers and novices alike, as it brings the true excitement and spirit of skateboarding to life through the PlayStation game console."

Key features in Grind Session include:
-- Partnership with Vans, Vans Triple Crown and associated partners including Rolling Stone Magazine, G-Shock, Mountain Dew and Ford Motors
-- Cool alternative soundtrack from some of the hottest alternative bands, featuring Black Flag, Dr. Octogon, GZA, KRS-One, Man Or Astroman, NOFX, Sonic Youth, Zen Guerrilla and more
-- Hundreds of trick combinations
-- Eight unique, fully interactive locations including true Vans Triple Crown of Skateboarding events. Locations include Burnside, NYC, San Francisco Mission District, Vancouver's Slam City Jam, Huntington Beach, Atlanta, Detroit, and PlayStation Park, London
-- Four different one-player modes: Tournament, Endurance, Open Skate and Training
-- Multi-player modes: Competition, vs., Teamplay, Tech Challenge and C-H-U-M-P
-- Three different objectives: (1) rack up the most "trick" points by progressing through realistic, fully interactive environments, passing through timed checkpoints and landing as many tricks as possible; (2) collect the required number of items; (3) execute the required number of technical bonus tricks
-- Technical bonus tricks that the player can master to earn "respect" in each level
-- Skater's Eye camera that allows the player to see the technical bonuses in each level
-- Smart camera that rolls with the player, creating dynamic views for tricks and moves
-- Sponsored and upgradeable gear including boards, wheels and secret items
-- "Replay" mode that uses various camera positions for up-close and wide angle views
-- "Possessed to Skate" mode where a player receives a bonus "possessed" power-up increasing speed, height and rotation (trick rotation) ability, depending on the size of the trick
-- "Build your own Dream House" mode where a player receives a key that unlocks a hidden room to the dream house, after successfully achieving the maximum number of points, collectibles or technical bonuses in that level

As an added bonus, players also have the opportunity to be photographed by performing a 1,000-point trick in under 10 seconds. If done successfully, the player receives a real-life photo. After each level, a player can continue to collect all eight photos in order to receive a real-life video.

The following sweepstakes will take place surrounding the release of Grind Session:

Grind Session's ``Pure Crazy" Sweepstakes

Contestants may enter to win a Ford Ranger XLT 4x4, 4-door equipped with a 3.0L engine, custom PlayStation branded skateboards and Grind Session T-shirts through designated point-of-purchase (POP) stands at participating

Electronics Boutique and KB Toys stores nationwide. The grand-prize winner
will receive a Ford Ranger, while first prize winners will receive custom
PlayStation branded skateboards and Grind Session T-shirts. The Sweepstakes
will take place from the end of May through early July.

Grind Session ''Trip to Vans/PlayStation World Championships of
Skateboarding" Sweepstakes

Contestants may enter to win a trip to the Vans/PlayStation World
Championships of Skateboarding event, custom PlayStation branded
skateboards and Grind Session T-shirts. Two grand-prize winners will
receive a trip to the Vans/PlayStation World Championships of
Skateboarding, 25 first prize winners will receive PlayStation branded
skateboards, and 50-second prize winners will receive Grind Session
t-shirts. Participants may submit entries through designated POP stands at
participating retail outlets or register online at
http://www.playstation.com. Sweepstakes will take place from the end of
June through the end of July.

Contestants will receive a free Pro-tec Ace Skate helmet with the purchase
of Grind Session and a 20-ounce Mountain Dew at participating Best Buy
stores nationwide. Giveaway will take place beginning May 25, good while
supplies last.

The independent Entertainment Software Rating Board (ESRB) rates Grind
Session ''E" for ''Everyone." For more information about the ESRB, visit
www.esrb.org.

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->A-ONE Gaming Online   -   Online Users Growl & Purr!
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                    Minor 'Skyhammer' Delay

I'm sorry to report that due to unexpected manufacturing and real-life
complications, the release of Skyhammer will be delayed approximately
one week. Because of the late change of plans, no pre-orders can be
shipped early as I have tried to do in the past. I will attempt to ship
as many "Nov 1st, 1999" pre-orders as soon as the carts arrive, with
most of the international and remaining orders shipping within two weeks
after that.

Also, Songbird is phasing out credit card processing via Multimedia 1.0,
as it was a temporary arrangement to help me handle a large volume of
orders. It would greatly reduce my expenses and also simply order
tracking if customers who wish to use credit cards could pay online via
PayPal. It's always free and very reliable. Check it out at:

 https://secure.paypal.com/auction/pal=forhan%40yahoo.com

If you're already a PayPal member, simply send your payment to
songbird(at)atari(dot)net. International customers will need to send a

check or money order drawn on a USA bank (it should read "Bank of New York" or "Bank of Delaware" or something similar on the front), or an International Postal Money Order. Money Orders drawn on foreign banks can _not_ be accepted and will be returned uncashed.

Thanks in advance for your understanding, and for the tremendous support displayed by Atari fans over the last year. I've been very happy (though often exhausted!) to be a part of releasing these "lost" games for the Jaguar, and look forward to finding more products, both old and new, for release on the Jaguar platform in the coming months.

Sincerely,

Carl Forhan
Songbird Productions
http://songbird.atari.net

                    Songbird SIZZLE on Lexis and Joust

For a limited time, Songbird is offering a special BLOWOUT deal on Lexis and Joust, both classics by Shadowsoft. Can you find the *hidden game* in Lexis? Are you ready for wave after wave of arcade action in Joust?

Buy Lynx Lexis for just $39.95 plus shipping, and get Lynx Joust absolutely FREE! Just mention "Songbird SIZZLE" when placing your order.

Hurry, this offer expires soon. Payment must be received/postmarked no later than June 5th.

--
Carl Forhan
Songbird Productions
http://songbird.atari.net

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                        A-ONE's Headline News
                  The Latest in Computer Technology News
                      Compiled by: Dana P. Jacobson

                Microsoft Argues U.S. Rejected Break-Up in Past

Microsoft Corp. argued in an unexpected court filing on Monday that U.S. calls to break up the software giant contradicted the position taken by the government in a case five years ago that a breakup ran counter to the public interest.

''The government has already admitted that the breakup of Microsoft would be 'dangerous to the economy's welfare' and 'against the public interest,"' Microsoft argued in an eight-page filing just two days before a hearing on

the case.

The government and 17 states asked the court on April 28 to break the company in two after District Judge Thomas Penfield Jackson found in early April that the company broke U.S. antitrust laws.

Microsoft rejected the proposal as ``extreme" on May 10 and offered to remedy its behavior. Microsoft's latest filing followed a government response on May 17 saying that a conduct remedy would be insufficient.

``The government had it right in 1995: the law does not countenance the dismemberment of Microsoft, a remedy that would clearly 'act against the public interest,"' the latest filing said, referring to an earlier action against it by the Justice Department.

The filings are in preparation for a hearing that Jackson has scheduled for Wednesday on what to do about Microsoft's monopoly.

A source close to the government case said that Microsoft's latest argument ``relies on statements made before Microsoft's illegal actions found in this case had even taken place.

``That Microsoft repeatedly broke the law after those statements were made demonstrates why only structural relief can prevent Microsoft from violating the antitrust laws in the future," the source close to the government case said.

Microsoft has said that if that judge wants to consider a break-up he should give it until December to prepare and then hold extensive hearings.

The antitrust case against Microsoft is the latest of several clashes between the government and Microsoft.

In 1994, after an investigation to determine whether Microsoft used anti-competitive business practices, the two sides agreed that Microsoft would make some changes in the way it did business.

But a federal judge rejected their proposed agreement, saying it was too easy on Microsoft. Microsoft and the government together appealed to a higher court, which permitted their consent decree to take effect in 1995.

Two years later, the Justice Department alleged that Microsoft had violated the deal. The Justice Department won some aspects of its argument in court, but lost them on appeal.

By that time, however, the government had decided that Microsoft had committed new violations of the law. In May, 1998, it brought the current case against Microsoft.

Microsoft Judge Mulls 3-Way Split, to Rule Soon

The judge in the Microsoft antitrust trial raised the dramatic possibility of splitting the software giant into three pieces on Wednesday and set the stage for a quick decision in the case.

District Judge Thomas Penfield Jackson concluded the hearing on proposed remedies in the trial after just one day, and he swept aside Microsoft's

demands for an extensive series of further hearings, saying there would be no more.

''This case has been pending for two years," Jackson told a Microsoft lawyer who argued for more time to respond to breakup proposals in the government's antitrust case against the company.

Later, Microsoft said in a court document it would have called Microsoft Chairman Bill Gates and President and Chief Executive Steve Ballmer among its witnesses, had it had the chance.

Gates and Ballmer had not testified in person in the case previously and had not been expected to appear at this stage of the trial, either.

Jackson asked the government to submit a revised proposal on how to remedy Microsoft's monopoly by Friday, directing Microsoft to respond by Tuesday. Jackson's decision was expected shortly after that.

During Wednesday's hearing, Jackson's questions focused on the possibility of breaking up Microsoft into three parts, as proposed by two outside trade groups made up mainly of Microsoft competitors, rather than two parts, as called for by the Department of Justice and 17 states.

''A bisection will in effect create two separate monopolies," Jackson said in criticizing the government proposal to separate Microsoft into an operating system company and application software company.

By contrast, Jackson praised as an ''excellent brief" a 65-page friend-of-the-court filing submitted by two industry groups calling for Microsoft's Web browser to be cordoned off into a third company.

The hearing followed Jackson's findings last month that Microsoft had violated the nation's antitrust laws by abusing its market power in personal computer operating systems.

Microsoft already seemed to be looking to the appeals process.

''We are very near the appellate phase of this controversy," Microsoft general counsel William Neukom told reporters after the hearing. ''On appeal, Microsoft will be raising challenges to the procedures used throughout this trial, including the remedy phase. We will be challenging the findings of fact, the conclusions of law, and the nature of any relief the judge might enter."

During the government's presentation, Jackson asked why it proposed breaking the firm into only two pieces. Government lawyer David Boies replied that such a plan would be easier to implement than alternative plans.

''This is anything but simple to implement," the judge retorted to Boies. ''Do you think Microsoft would be a willing participant?"

Boies recalled that AT&T was broken into a long distance company and several local companies in 1984, each of which were ready to invade one another's territory. In the same way, Microsoft and Office could invade each other's territory, Boies said.

Boies said that a separate company that owned Office and Internet Explorer could pick up where Netscape's Internet browser -- which the court found was the main victim of Microsoft's monopoly -- left off, serving as a

``platform" for software.

As software developers began writing applications that ran on top of
Office, instead of Windows, Microsoft would want to put out its own
applications software, he said.

At the same time, the Office company would design itself to run on other
operating systems in addition to Windows.

Microsoft has proposed that, instead of a breakup, the court impose
restrictions on its business practices. But when it came time for Microsoft
lawyer John Warden to defend those proposals, Warden said: ``I'm not going
to discuss it, it's addressed in the brief."

Instead, he spent his time arguing that the government's proposal was the
wrong one, and explaining why his company needed months of preparation if
the judge gave that proposal further consideration.

Warden rejected the analogy with AT&T, saying that a dismembered AT&T was
able to compete because it was ``free of (the) shackles" of government
regulation.

Warden also recalled the 1968 break-up of United Shoe, which he said had
resulted in the collapse of the shoe industry in the United States -- an
assertion questioned by the judge.

``I submit this remedy is so extreme ... it will go a very long way to
ensure that Microsoft is the one company that won't win" the next round of
competition in the software industry, Warden said.

After listening to Microsoft's proposal for months more of hearings and its
explicit criticism of his decisions so far, Jackson said he found it
``ironic" the firm was asking for more time in court instead of moving
quickly to get to an appeals court.

                    No, It WASN'T A Good Day For Microsoft

Wednesday's remedy hearing wasn't pretty for the software giant, as Judge
Jackson cut short the company's request for more time to plead its
antitrust case.

Try as they might, there's no way the Microsoft public relations team could
put their favorite 'It was a good day for Microsoft spin' on Wednesday's
remedy hearing.

The hearing ended abruptly around 3 p.m. ET, with Judge Thomas Penfield
Jackson telling Microsoft that there would be "no further process" --
meaning no more chance for additional depositions or hearings -- because
he had given Microsoft enough time to make its case.

"This case has been pending for two years, Mr. Holley," Jackson retorted
shortly in response to a last-ditch appeal by Microsoft's counsel for
additional time and a chance to present its "offer of proof."

The judge asked the government to provide him with a "clean copy" of the
plaintiffs' proposed final judgment, meaning one that the Department of
Justice and 19 states suing Microsoft for antitrust violations could amend

with some of the minor changes and clarifications made by the judge during Wednesday's day-long remedy hearing in U.S. District Court.

The judge allowed Microsoft its requested 48 hours to deliver a final response to the decree that the court will enter.

While some trial watchers are saying the judge is likely to rule any time in the next month or two, technically, Jackson will have everything he needs to enter his decree, complete with his proposed remedy, starting any time next week.

Because the judge spent much of his time on Wednesday asking for specifics regarding the government's and Microsoft's responses to the government's proposed breakup suggestion, many now are expecting the judge to suggest breaking up the company, in addition to various conduct remedies, when he issues his ruling.

It's not clear if the judge will back the government's proposed two-way split of Microsoft into a Windows and an applications company, or if he will favor the last-minute suggestion to cut Microsoft three ways -- operating systems, applications, and browser companies -- as suggested by a last-minute friend of the court brief by the Computer and Communications Industry Association (CCIA) and Software and Information Industry Association (SIIA).

Microsoft wasted no time in crying foul. Its attorneys, speaking on the steps outside the courthouse after the hearing was adjourned, said they expected to appeal Jackson's findings of fact and conclusions of law, his suggested remedies and procedure.

"We never reached a process," said Sullivan & Cromwell attorney John Warden. "Discovery was closed months ago and we outlined for the court's consideration three alternatives for the continuation of the trial -- but the court said no more process."

Bill Neukom, Microsoft senior vice president of law and corporate affairs, said Microsoft had asked for more time and evidentiary collection because the suggested remedy by the government went beyond the scope of the matter covered during the trial.

But during the course of the afternoon proceedings, government lead attorney David Boies suggested that Microsoft had forfeited on its opportunity to cross-examine the economists and investment bankers who provided supporting briefs to the government's proposed remedy, which it issued in April.

One trial watcher, University of Baltimore law professor Bob Lande, said he was convinced that Microsoft might have a strong case for an appeal based on process.

"Microsoft has a serious due-process argument," Lande said. "They could have an issue on appeal," especially if Jackson calls for breakup, he said. "Microsoft could say they didn't have sufficient time to respond, as their grounds for appeal."

Lande said he expects Jackson to issue his ruling by July or August, based on the timetable outlined Wednesday. He said he believed it would take the judge that long to "write a carefully crafted decision."

"He won't take everything the government's going to file. It's still not

even sure on the breakup issue," Lande said. "(But) he (Jackson) will seriously consider the government's proposal and the industry associations' proposal."

In the approximately hour-long afternoon remedy hearing proceedings, the judge began by asking both the government and Microsoft attorneys to elaborate on a few of the points raised in the CCIA/SIIA brief.

Specifically, he asked the two sides to respond to a quote attributed to Microsoft President Steve Ballmer, who claimed that 40 percent of the functionality of the Windows 2000 desktop is useless without the Windows 2000 server.

Jackson also asked for elaboration by the two sides on the CCIA/SIIA suggestion that Microsoft Office be subject to some of the same price-protection provisions as the government has suggested be applied to previous versions of Windows.

The judge also asked for reactions to the CCIA/SIIA suggestion that Microsoft be required to make Internet Explorer available as open source at "zero royalty" to Microsoft.

Sullivan & Cromwell attorney Steven Holley took on the Windows 2000 tying question by first attempting to discredit one of the authors of the friend of the court brief, the CCIA -- a tack that didn't sit well with the judge.

"CCIA is just a bunch of Unix companies who are running scared of Microsoft bringing the high-volume, low-pricing model to servers," Holley began.

He added that the trade association was trying to make a "classic monopoly leveraging claim," which Holley claimed Jackson has dismissed on summary judgment earlier in the trial.

Holley then noted that neither Windows 2000 nor its predecessor NT 4.0 were part of the case. And he spent time showing how "very, very complicated" the relationship between Windows 2000 clients and servers is.

In the end, he summarized by saying, "There is no reason why Microsoft can't make its client work well with its operating system. Companies have the right to develop their products so they work well together."

On the other friend-of-the-court points raised by Jackson, both Boies and Microsoft attorney Warden agreed that the trial record addressed Office sufficiently for it to be added to the remedies at this point. While Boies was in favor of the open-sourcing IE possibility, Warden, expectedly, was not.

Like Holley, Warden attempted to discredit the CCIA and SIIA as "Johnny-come-latelys to this matter." He added that their idea on open-sourcing IE "suffers from all the same destructive problems" as other government-suggested remedy proposals, but especially "lack of incentive (for Microsoft) to innovate."

Before the judge abruptly terminated the remedy hearing, Holley attempted to specify the types of information that Microsoft had hoped to seek via its offer of proof.

He began itemizing some of the witnesses that Microsoft had hoped to call,

who would have addressed issues such as the severity of the adverse
effects of a breakup on the company and consumers. But the judge cut him
short, noting that the Microsoft document "would speak for itself."

On the steps in front of the courthouse, Neukom got the last word of the
day, noting that "we are very near the appeal phase of this controversy --
we are still in the middle innings and are looking forward to appellate
scrutiny."

                      Laws for Online Privacy Sought

Federal regulators are seeking new powers to oversee how companies use
personal information collected on their Web sites, after concluding that
the industry is not safeguarding consumer privacy.

In a report to Congress, the Federal Trade Commission recommended
legislation that would require commercial Web sites to implement such
principles as notifying consumers what information is collected and how it
will be used; the option to choose whether information can be shared with
third parties; access to review collected data; and security of that
information.

On Thursday, the commission, which voted 3-2 to send its decision to
Capitol Hill, will present its survey and recommendations at a hearing
before the Senate Commerce Committee.

That survey found that only 20 percent of a random sample of all Web sites
with more than 39,000 visitors had implemented the four key components of
widely accepted fair information practices. Of the 100 most popular U.S.
commercial sites, only 42 percent had adopted these standards.

''The study indicates that there is still a long way to go," said FTC
Commissioner Mozelle Thompson in an interview. ''This is something that
consumers have gotten more and more concerned about."

The legislation recommended by the FTC would require commercial Web sites
to implement such principles as notifying consumers what information is
collected and how it will be used; the option to choose whether information
can be shared with third parties; access to review information a site has
collected; and security of that information during transmission and
storage.

The commission's proposal still puts industry efforts at the forefront, but
gives the FTC the ability to address any gaps, said Thompson. He stressed
that the commission also wants to provide enough flexibility to encourage
innovation in the industry.

The report cited only a limited use of voluntary self-regulation options
such as programs run by the Better Business Bureau or Truste, which audit
companies to see whether they keep their privacy promises to consumers.

Only 8 percent of all Web sites post privacy seals indicating their
participation in such programs.

''The FTC has been very indulgent with businesses' slow progress toward
privacy protection," said Jason Catlett of Junkbusters Corp., a New
Jersey-based privacy advocate.

Industry groups said privacy regulation could hinder the ability of the Internet to respond quickly to new consumer demands and would impose undue burdens on companies.

''I'm a little confounded that they think that at this juncture they should jump in and regulate," said Christine Varney of the Online Privacy Alliance, an industry trade group.

''It's starting down a slippery slope toward Internet regulation which is unwarranted," said Harris Miller, president of the Information Technology Association of America.

Commissioner Orson Swindle, who voted against the recommendations, said the FTC's plan doesn't adequately address why new legislation is needed.

''Legislation should be reserved for problems that the market cannot fix on its own," Swindle said. He also warned that any law should consider ''unintended consequences that could severely stifle the thriving New Economy."

It's unclear what prospects such legislation would have for passage during an election year, and some lawmakers already have questioned whether the industry really needs regulation.

''A vast number of sites disclose what their privacy policies are and give consumers more control on what information is gathered and how it will be used," said Rep. Billy Tauzin, R-La., chairman House Commerce Committee's telecommunications, trade and consumer protection panel.

But Sen. Robert Torricelli, D-N.J., used the commission report to press for legislation he introduced earlier this year that would bolster privacy requirements on the Internet.

Laws for Online Privacy Sought

Federal regulators pressed Congress Thursday for greater authority to oversee the efforts of companies to protect consumer privacy on the Web.

A majority of the Federal Trade Commission said consumer confidence in using the Internet will be boosted if the agency is able to regulate how businesses use personal information collected online.

''The most effective self-regulatory programs are those that have the rule of law to back them up," said FTC Chairman Robert Pitofsky, testifying before the Senate Commerce Committee.

The commission recommended legislation requiring commercial Web sites to notify visitors of what information is collected about them and how it will be used; the option to choose whether information can be shared; access to review information collected by a site and security of that information. The FTC voted 3-2 earlier this week to forward the privacy recommendations to Congress.

Even sites that currently carry privacy statements don't always make them simple and understandable for average consumers, said FTC Commissioner Sheila Anthony.

Sen. John McCain, R-Ariz., who chairs the committee, concurred, giving a few examples of his own. In one instance, the Web site's privacy policy took up eight pages. Another site requires visitors to click through a myriad of pages before they can finally ''opt out" of having their personal information collected, McCain said.

''That's not what we had in mind," he said.

Christine Varney of the Online Privacy Alliance, an industry trade group, said some privacy policies are indeed complex, but are not intended to mislead consumers. If a site does have a deceptive privacy statement, the commission can go after it using authority it already has and doesn't need new powers, she said.

Still, several senators have introduced measures to boost Internet privacy. A bill by Sen. Ernest Hollings, D-S.C., would require companies to obtain the express consent of consumers, through an ''opt-in" approach, before seeking personal data.

Sen. Jay Rockefeller, D-W.Va., who joined in offering the bill, said it would bolster consumer trust in the medium - much as regulation of credit cards increased their use.

He warned his colleagues against taking a wait-and-see attitude to study the matter.

''There's no such thing as ample time in the world of the Net," Rockefeller said.

Jason Catlett of Junkbusters Corp., a New Jersey-based privacy advocate, added that self-regulation and even technology-based solutions alone are ''not going to stop the death of privacy in this nation."

But some senators advised against imposing regulations for consumer privacy in the online world that don't exist in the offline world.

''I hope we don't single out the Internet for the kind of regulation that would stifle it," said Sen. John Ashcroft, R-Mo.

''Industry regulation is working," said FTC Commissioner Orson Swindle, who dissented from the agency's recommendations. He said such self-policing is in the best interests of companies.

Industry executives also urged against sweeping regulation, saying that it could curb innovation and more flexible approaches to privacy.

''It is clear that companies are responding to the increasing marketplace demand for online privacy," said Jill Lesser, vice president of domestic public policy for America Online.

Intel Unveils New Pentium III Xeon Chip

Intel Corp. introduced on Monday two much-anticipated upgrades to its Xeon computer chip family, a higher-margin product line which is targeted to the fast-growing network server market.

Analysts said the new chips will provide even higher profit margin potential for the world's largest chip maker, than the current Xeon family, because of their cost-saving design.

The new processors, running at clock speeds of 700 megahertz, are the first upgrade to Intel's Xeon line since August. The chips are manufactured using Intel's 0.18 micron technology and integrate more transistors on a single die.

Another key feature of the new chips is that the cache memory now becomes an integrated part of the processor, instead of as separate, more costly cache memory chips. Cache is a reserved section of memory used to improve performance.

Intel said the new Xeon chips will boost overall system performance anywhere from 13-46 percent, depending on the applications and system configurations. Up until now, Intel's fastest Xeon processor runs at a clock speed of 550 megahertz.

''The new processor is a big step up in clock speed and with the new cache that is right on the CPU chip, it gives it a big performance boost," said Linley Gwennap, principal of the Linley Group, a consulting firm in Mountain View, Calif.

Intel of Santa Clara, Calif., is targeting its new Xeon processors to the high powered server market, where servers are used to run data centers, Internet service providers and host applications for application service providers (ASPs), a market also targeted by Sun Microsystems Inc.

Palo Alto, Calif.-based Sun has a new server chip, called UltraSPARC III, in the works, but the chip is not shipping yet in volume.

''Xeon offers as good or better performance as Sparc," said Gwennap. ''Compared to the one gigahertz (clock speed) they (Intel) have in the PC line, they have a lot of headroom in the Xeon line to push the clockspeed up and I think they will do that in a year or so."

Gwennap noted that while Intel-based servers are becoming more of a competitive threat to Sun in the low-end of the market, Sun still reigns at the high end, with much larger configurations where companies are using 16 to 64 processors in a server.

According to market research firm International Data Corp., Intel-based server shipments jumped 33 percent in the first quarter, up from the same period a year ago.

Intel said the new chips are available now in limited quantities of 1,000 for $1,177 for the one megabyte of level two cache and $1,980 for the two megabyte cache version. Volume shipments will begin ramping up over the next several months.

''Intel is doing well in the server area but the margins on the server parts have not been that much better than the PC parts," Gwennap said. ''Now they will be able to charge these high prices and they have their cost structure under control...The new version is so much more economical."

Intel Launches 933MHz PIII

Intel Corp. took the wraps off of its 933MHz Pentium III chip for desktop PCs, Wednesday.

The new chip, which will show up first in high-end desktop PCs, fills in the last gap in Intel's current Pentium III lineup. The company leaped from 800MHz to 1GHz (1,000MHz) in early March and later that month issued 800MHz and 866MHz desktop Pentium III chips.

PC makers will offer the new chip first in high-end desktops. IBM, for example, is offering the chip in the new Aptiva 990 desktop. The new PC, priced at $2,109, includes the 933MHz chip, 128MB of synchronous dynamic RAM, a 40GB hard drive and a CD-rewriteable drive.

The new processor for desktop PCs is priced at $744 in 1,000 unit quantities. Intel officials say it is available in quantity now.

Intel also announced, Wednesday, a 933MHz Pentium III Xeon chip.

Nvidia Might Come to Mac

Graphics chipmaker Nvidia, whose GeForce2 GTS 3D graphics processing unit is popular among PC users, told MacWEEK that the company is strongly considering an entry to the Mac market. The company has had discussions with Apple and third-party manufacturers about offering a Mac product, said Nvidia public-relations director Derek Perez.

"At this time, Nvidia and Apple have no signed deals. Additionally, Nvidia has no current deals with an OEM vendor to bring a GeForce card to the Mac," he said. "However, Nvidia will most likely have an announcement about a Mac product within the next six to eight months."

Nvidia does not manufacture its own boards to sell to end-users. Instead, it sells graphics processors to other companies, such as Dell Computer or Creative Technology, to incorporate into their products. As a result, Nvidia would have to team with Apple or another vendor to bring its technology to the Mac.

Perez said that Nvidia will not move into the Mac market unless it has tacit approval from Apple.

Traditionally, Nvidia ships its products within days of announcing them. Perez said the company will follow this pattern if it announces a Mac implementation. The net result is that you shouldn't expect a formal announcement until Nvidia has a fully working product.

Mac gamers have long called on Apple to offer Nvidia-based graphics boards as an alternative to ATI's Rage 128, which is bundled with current Power Mac systems. ATI has announced a next-generation graphics chip, the Radeon 256, but neither Apple nor ATI have announced when or if the chip will appear in Mac hardware. Another chipmaker, 3dfx, demonstrated Mac versions of its Voodoo4 and Voodoo5 PCI graphics cards at the recent E3 show in Los Angeles.

Nvidia's technology could also find a home among 3-D graphics professionals on the Mac. "Right out of the box, (the Power Mac) is impressive, but I certainly hope that companies like Nvidia are taking a

serious look at the platform," said Alias|Wavefront's Richard Kerris in a recent interview with MacWEEK. At last week's Worldwide Developers Conference, Alias|Wavefront announced that it will offer a Mac version of its Maya 3-D graphics software.

In addition to looking at the Mac market, Perez said Nvidia is considering products for mobile computing hardware, including PDAs. "Everywhere there's a pixel on the screen, we want it to have been drawn by Nvidia."

Publishers Closer to E-Book Sales

Three book publishers announced electronic distribution ventures on Tuesday, a sign the industry is getting serious about making books available digitally for personal computers and handheld devices.

Random House Inc. made best-selling author Michael Crichton's novel ``Timeline" available for free online but only to users of handheld computers with a Microsoft operating system.

Also teaming up with Microsoft is Simon & Schuster Inc., which saw about half a million downloads when it released a short story by Stephen King online two months ago. On Tuesday, it released 15 Star Trek titles, saying the books would appeal to the ``early adopters" of technology.

Separately, Time Warner said it had formed an electronic publishing division. It will solicit manuscripts for books and shorter pieces at a Web site that the company hopes to launch early next year. The site will also sell online versions of the books.

Two recent developments are pushing the publishing industry to move toward online distribution, analysts say.

One is the success of King's electronic book, the first online release by a big-name author, which demonstrated there is a market for e-books. The second is the growing online exchange - and piracy - of music, made easy by file-sharing programs such as Napster.

``I think the book industry is looking with horror at what's happening in the music industry," said analyst Dan O'Brien at Forrester Research. Publishers want to enter the digital arena early to avoid having consumers get accustomed illegal online acquisition, as has happened with music, O'Brien said.

The new electronic books use encryption technology from Microsoft and Xerox aimed at preventing copying and printing.

But Dick Brass, Microsoft's vice president of technology, acknowledged at a news conference with Random House and Simon & Schuster Inc., which saw about half a million downloads when it released a short story by Stephen King online two months ago. On Tuesday, it released 15 Star Trek titles, saying the books would appeal to the ``early adopters" of technology.

Microsoft Lays Next Gen Cornerstone

Microsoft set to release a beta of its Next Generation MSN -- the first building block for its 'software as a service' vision.

Microsoft's Next Generation Windows Services architecture unveiling is still a week away, but the company already is starting to lay the groundwork.

On Wednesday, Microsoft plans to post to its Web site a public beta version of its America Online competitor -- the so-called Next Generation MSN software.

Due to be commercially available later this year, this update to MSN will provide a platform via which consumers may obtain single-sign-on access to Microsoft and third-party services and applets. These services are the building blocks of Microsoft's emerging "software as a service" vision, which its top officials will outline in detail on June 1 at Next Generation Windows Services' (NGWS) coming-out party, called Forum 2000.

Microsoft will not confirm that the code for Next-Generation MSN is based on "Mars" -- a product which it solicited beta testers for last fall. However, Mars does seem to be the forerunner of the updated MSN offering.

'(Next-Generation MSN) will take all of those best-of-breed services, like MoneyCentral, HotMail, eshop, and integrate them into one, easy-to-install package that doesn't disrupt MSN users' existing settings.' Originally, beta testers thought Mars was a future version of Internet Explorer geared toward first-time Net users; later, Microsoft officials confirmed it was the code name for a future version of MSN aimed at simplifying Net access for consumers and home users.

Various Windows enthusiast sites on the Internet have published early screen shots and details on Mars. The BetaNews site late last week noted that Microsoft was putting the finishing touches on the new and improved MSN integrated desktop built on top of Internet Explorer.

Microsoft officials declined to equate Next Generation MSN with the Mars code name, noting that Microsoft frequently changes its code names and updates its code "at Internet speed."

But the way that Bob Visse, lead product manager for MSN, described the forthcoming MSN beta sounded awfully familiar to those tracking Mars.

Microsoft Next-Generation MSN "integrates all the services and functionality that new users will need to get onto the Web," Visse said. "It will take all of those best-of-breed services, like MoneyCentral, HotMail, eshop, and integrate them into one, easy-to-install package that doesn't disrupt MSN users' existing settings."

Visse noted that Next Generation MSN users will be provided with a single-sign-on capability that will automatically authenticate them across all of these mail, bill paying, shopping and search services. He said users also will be able to access the streaming media services offered via the integrated Windows Media Player that will be part of the Next Generation MSN code. Microsoft will not be offering any paid streaming services or other digital-rights-managed offerings in this release of MSN, however, Visse acknowledged, calling these capabilities possible "future stuff."

Microsoft's hardly the only company looking to turn software into a renewable revenue source like services.

Novell is in there, too, enhancing hosting platform with authentication, security and other value-added services aimed at ISPs, application service providers (ASPs) and even large corporate customers.

On Monday, Novell announced its OnDemand Services software module, which allows hosters to offer goods and services for a monitor-able fee. With the offering, Novell is already staking out a space in the digital-rights-management space that Microsoft has yet to attempt.

"The new MSN is about management and distribution of software licenses. But we can extend any number of services, with software being just one of them," said Michael Brown, product manager for Novell OnDemand Services.

Brown noted that with OnDemand, ASPs can add anything from access to a video file or access to a conference room to the list of services that can be managed by Novell's centralized eDirectory. Novell's supplementary DirCommerce Services module allows for the management of transactions and purchases.

RealNetworks Launches Updated Software

Internet media software company RealNetworks Inc. on Monday launched new versions of its popular audio and video programs, wrapping them into a single package and jazzing them up with easier controls and guides to find everything from music to movies on the Web.

The new package, called the Real Entertainment Center, will include a new version of RealPlayer for receiving audio and video that is ''streamed", or transmitted, over the Internet, Rob Grady, product manager for Real's consumer group, said in an interview.

An update to the RealJukebox, which lets users organize and play songs downloaded from the Internet or recorded from a CD, will also be included in the suite, marking the first time Real has tied the products together.

A third part of the package is RealDownload, a new product that makes it easier to download music from the Web. The software is based on technology developed by Netzip, which Real bought in January for $265 million in stock.

The software release also comes amid intense competition with rivals like Microsoft Corp. and privately held MusicMatch, which have lately beefed up their own digital media products.

Real, which is fighting to retain its lead in the industry, said it was still the most popular choice among consumers, pointing to figures by Internet research firm MediaMetrix showing there were 125 million unique registered users of its player software, and 34 million Jukebox users.

Grady said the new software was aimed at making it much easier for average people to enjoy multimedia on the Internet.

''We really believe consumption of digital media is at an inflection point," Grady said.

The basic version of the package, which can be found on Real's Web site at

http://www.real.com, will be free. A ''plus" version that includes better sound quality, fancy equalization tools and more customization can be bought for $49.99.

Among the new features in the new player are an Internet radio tuner with links to 2,500 stations, a guide to videos, music and other content on the Web, and an ''update" tool to automatically notify users of new songs, movies, downloads and news, Grady said.

Jukebox will boast a new interface with controls that mimic a browser or Web page, such as links that can activate other features with a single click of the mouse.

Users can change the way the player looks on screen and can enhance their music collections with computer-generated special effects, album art, song lyrics and background information.

''We are trying to take the music experience beyond just audio," Grady said. ''It really takes the experience to a new level because it combines the powerful features with great ease of use."

RealDownload manages the process of downloading music files from the Internet. For example, if a download is interrupted in the middle, the software detects where it left off and resumes the download later from that point.

''It sort of completes the suite because content acquisition is a huge thing, because you can't enjoy it if you can't get it," Grady said of RealDownload.

Prospero Technologies Announces Record First Quarter

Web Community Infrastructure Provider
Reinforces Industry Leadership

Prospero Technologies, the leading provider of community infrastructure for Web businesses, announced the achievement of several notable milestones. Formed by the January merger of Well Engaged and Delphi Forums, Prospero's combined organization has already been hailed by clients as setting the standard in the field of online community development, services and consulting. In the first quarter of the year, the company has exceeded initial performance projections in page views, number of new clients, addition of new technologies and state-of-the-art equipment and expansion of staff.

''I'm excited to announce these numbers," said Dan Bruns, president and CEO of Prospero Technologies, ''not so much because they highlight our growth, but because they reveal the number of individuals whose online offerings and experiences we've helped improve."

Since January, Prospero has added 20 new e-business leaders to their already impressive list, which previously included CBS News, HBO, Petopia, PlanetRx, and the Wall Street Journal. New clients include well-known names such as CMGI's MyWay.com, Fortune's eCompany Now magazine, and FatBrain's MightyWords.com. The additional clients have contributed to a 15 percent increase for the first quarter of the year in total number of clients and a correspondingly significant increase in revenue. To support this rapidly

expanding customer base, Prospero has also increased staff by 20 percent since the merger and added a Sausalito, Calif. full service office to augment the services of their Cambridge, Mass. headquarters.

In addition, Prospero has launched multiple new offerings and partnerships to expand their leadership in the online community market. Supplementing their rapid forum platform creation / delivery process, in April, the company launched ActiveContent, a seamlessly integrated technology that uses HTML objects to both increase traffic to client Web sites and eliminate the majority of the ongoing maintenance required for typical online communities. This launch followed the announcement of Prospero's new voice-enabled functionality, offered in partnership with Mountain View, Calif.-based HearMe, which allows users to converse with other site visitors resulting in new online content and higher audience usage. Along with the introduction of the newest control center options, which includes member profiles, an 'ignore' option, and an audience polling capability, these newest technologies further enable participants to personalize and control their community interactions.

Prospero's weekly total page view count (the number of end-user hits on Prospero-created pages) numbers more than 39,000,000. This marks a 46 percent increase in page views since Delphi and Well Engaged merged in January.

''Prospero's speed of delivery--their ability to analyze and quickly implement multiple communities--is a magnet for businesses," said Mary Jane Brown, Internet project manager at Hasbro, Inc. ''For the past nine months Prospero's community infrastructure has promoted and engaged a loyal customer base on our Web sites, playing a key role in fostering brand loyalty for us."

                    Dot-Com Name Doesn't Change Town

When residents of this tiny Western town tucked against the snowy Wallowa Mountains agreed to unofficially change Halfway's name to one with a high-tech ring, it seemed like an answer to their prayers.

Most people hoped the deal - a marketing stunt dreamed up by an Internet startup with a similar name - would pump new life into the town's flailing economy by bringing in tourists, new jobs and cash.

So far, Halfway isn't wholly satisfied with the results of its part-time name: half.com.

There has been no rush to this remote corner of eastern Oregon by tourists - or even half-interested curiosity seekers.

''The only people that are going to come here in hordes are the ones who love the things that we do - the isolation," said Diana Glynn, who works for the city council. ''There may not be too many of those."

That pleases folks who had feared Halfway would be overrun by people who wanted to experience life in a town with a dot-com name.

Still, motels and restaurants in Halfway had been hoping for some extra business.

''I thought it was a neat thing. But as far as boosting business in our town - I don't think it's done anything," said 35-year-old Meriann Digges, who has run Wild Bill's - a downtown lounge that offers the only breakfast in town - for the last five years.

In January, the city council voted to temporarily change the name of Halfway to half.com as part of a marketing gimmick by an online retailer of the same name.

The name half.com doesn't appear on any map, and the town's official name is still Halfway. The town uses half.com strictly for publicity purposes.

The half.com company hoped to increase business through publicity about the little Oregon town that had put dot-com in its name.

And many folks in Halfway had hoped the publicity would bring in tourists to make up for industries that have gone under in the region over the past decades - primarily mining and logging.

''The primary intent of the relationship was to have a win-win situation," said Joshua Kopelman, the 29-year-old founder of the company, which matches buyers and sellers of goods. ''We're helping the town. And they've given us a level of national exposure we didn't have before."

The 4-month-old company based in Conshohocken, Pa., won't say if it is earning a profit, but Kopelman said the Web site is one of the most popular on the Internet. While not in the top 50, half.com ranked among the 500 most visited sites on the Internet in March, according to tracking firm Media Metrix Inc.

''They put us on the map," Kopelman said of Halfway.

For those who visit Halfway, the only trace of the company is a small sign at the edge of town that says: ''Welcome to half.com Oregon, America's first Dot-com city."

''I've heard a few people talking about monkeywrenching that sign," said Kifur Yosemite, a glass artist who has lived in the Pine Valley for 20 years. ''Not everyone's happy about this."

Halfway, founded in the early 1800s at a spot midway between the towns of Robinette and Cornucopia, is set in a valley surrounded by snow-covered mountains and streams. It's a short drive from the nation's deepest river gorge, Hell's Canyon.

Among the benefits for the town, the half.com company presented 20 new computers to the town's elementary school. The gift saved the district $16,000 and propelled the town's 160 students into the high-tech age.

The company also added free links to the town's Web site and about 60 local businesses that sell everything from elephant garlic to towing services.

While they haven't brought a rush of business to town, some merchants have seen a benefit.

Rick Bryan, who started the Old Pine Sports Shop - selling Birkenstocks - in 1982, said business has increased 10 percent since his Web site was linked to half.com.

''I probably can't give all the credit to half.com," he said. ''But they've helped."

In exchange for renaming itself for a year, Halfway is also set to receive $75,000 from half.com. The money will by divvied out by a six-member panel to local groups who must formally apply for grants for projects to benefit the community.

The company also has hired a handful of Halfway's 360 residents to work for half.com from their homes.

Jerry Weir was hired as a Webmaster for the company. He has created and is maintaining local sites linked to the half.com site.

Weir, who is also the town's deputy sheriff, is happy with the additional cash he's made working for half.com.

''This is a great place to live, but it's damn hard to make a living," he said. ''It's gotten the town a lot of publicity. Has it made the town a lot of money? No. ... Don't expect the Web to be your savior."

Still, Weir said the deal with half.com can only help Halfway.

''You're either dying or you're changing. You can't stay the same," he said.

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